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**From:** James Dotchin [jdotchin@ndep.nv.gov]  
**Sent:** 2/1/2018 3:00:15 PM  
**To:** Andrew Steinberg [andrew.steinberg@lepetomaneinc.com]  
**CC:** Fong, Alison [fong.alison@epa.gov]  
**Subject:** Re: NERT 2018 Draft Budget

Thanks Andy, that sounds great.

I will get you the rest of NDEP's comments as soon as I get into the office this am.

JD

Sent from my iPhone

On Feb 1, 2018, at 6:30 AM, Andrew Steinberg <[andrew.steinberg@lepetomaneinc.com](mailto:andrew.steinberg@lepetomaneinc.com)> wrote:

Thank you both for the expedited review.

I will add clarification to the letter / footnotes in response to the comments. In addition, I will also strengthen the language talking about the total weir costs surpassing the EE/CA due to post-EE/CA factors that were beyond NERT's control.

Home stretch!

Thank you.

Andrew W. Steinberg  
Vice President, Operations | LE PETOMANE, INC  
Direct 312.498.2800 | Fax 312.276.4939  
35 E Wacker Dr, Suite 1550, Chicago IL 60601  
[andrew.steinberg@lepetomaneinc.com](mailto:andrew.steinberg@lepetomaneinc.com)

On Feb 1, 2018, at 7:48 AM, James Dotchin <[jdotchin@ndep.nv.gov](mailto:jdotchin@ndep.nv.gov)> wrote:

Andy,

I will have some additional comments, this is the 90% and the only comments that may need to be modified or tweaked before the final is sent out.

Thanks,

JD

Sent from my iPhone

Begin forwarded message:

**From:** "Fong, Alison" <[fong.alison@epa.gov](mailto:fong.alison@epa.gov)>  
**Date:** February 1, 2018 at 5:11:41 AM PST  
**To:** James Dotchin <[jdotchin@ndep.nv.gov](mailto:jdotchin@ndep.nv.gov)>  
**Cc:** "Lisa Ferrel ([lferrel@ndep.nv.gov](mailto:lferrel@ndep.nv.gov))" <[lferrel@ndep.nv.gov](mailto:lferrel@ndep.nv.gov)>  
**Subject:** RE: NERT 2018 Draft Budget

JD,

EPA has completed the initial review of NERT's Draft 2018 Budget transmittal letter, budget tables, and footnote summary, and has no objections to distributing the final version to the agencies and stakeholders for review.

EPA has the following comments for NERT. There are a few more in addition to the main comments I discussed with you and Lisa during our Monday 1/29 call.

- **Task L09 and Footnote 41:** Could NERT confirm the total amount that has been spent thus far on this effort? From information in the budget table and footnote, it appears it is \$18,959,375 (2017) + \$1,706,000 (prior to 2017; i.e. difference between initial total budget of \$25,487,000 and 2017 budget of \$23,781,000).
- **Task M99 and Footnote 46:** The \$35,400,000 budget is based on the numbers shared at a summary level during the 2017 Stakeholder Meetings. As these numbers are now being approved as part of a budget, is NERT planning to include detail on the basis of these figures as part of the attachments?
- **Tasks M06, M07, M08:** Of the tasks in the table with rollover budgets as well as new 2018 budgets, these three tasks didn't have footnotes to explain. Could NERT confirm that the description of the remaining activities under previously scope and new scope will be included in the attachments?
- **Task O05 and Footnote 49:**
  - In the footnote, it was explained efforts previously captured under F06, F99, O01, and P03 were being consolidated into this new trust-managed budget allocation O05. Why then does O05 still have a 2018 New Budget?
  - In the last sentence of the footnote, it says task O05 includes \$40k Ramboll and \$70k TetraTech consistent with prior years F06 budget, but according to the table the total F06 budget in 2017 was \$90k (vs. \$110k).

Please combine these with NDEP's comments to share with NERT. During the call, you had comments regarding **Footnotes 2 and 48**.

A note just for NDEP consideration, with the additional budget L09 will have exceeded both the \$25,000,000 initial budget approved by NDEP/EPA as well as the total \$38,000,000 original estimate.

If you need to reach me immediately regarding these comments, the best way is by text at (510)435-2446. However, note I will be in transit tomorrow between 9:40am and 3:40pm (pacific time).

Thanks,

Alison Fong  
U.S. Environmental Protection Agency  
Region 9, RCRA Branch  
75 Hawthorne Street (LND-4-3)

San Francisco, CA 94105  
(415) 972-3065 | [fong.alison@epa.gov](mailto:fong.alison@epa.gov)

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**From:** James Dotchin [<mailto:jdotchin@ndep.nv.gov>]  
**Sent:** Monday, January 22, 2018 9:40 AM  
**To:** Andrew Steinberg <[andrew.steinberg@lepetomaneinc.com](mailto:andrew.steinberg@lepetomaneinc.com)>  
**Cc:** Fong, Alison <[fong.alison@epa.gov](mailto:fong.alison@epa.gov)>  
**Subject:** Re: NERT 2018 Draft Budget

Andy,  
Interesting, with all of the money in and out it would be good to better understand this better.  
Thank you for pointing this out.  
JD

Sent from my iPhone

On Jan 22, 2018, at 7:06 AM, Andrew Steinberg  
<[andrew.steinberg@lepetomaneinc.com](mailto:andrew.steinberg@lepetomaneinc.com)> wrote:

Good morning.

One thing I meant to include in my email with the budget...

The letter indicates an estimated environmental balance of \$1.098B after all 2017 account activity settles. Our total funding (initial + Anadarko) was \$1.148B. From that cash perspective, we're only down ~50M since inception when clearly we've spent much more than that. This is an interesting analysis that I will present during our Tuesday talks.

Thank you,

Andrew W. Steinberg  
Vice President, Operations | LE PETOMANE, INC  
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[andrew.steinberg@lepetomaneinc.com](mailto:andrew.steinberg@lepetomaneinc.com)

On Jan 18, 2018, at 10:01 PM, Andrew  
Steinberg  
<[andrew.steinberg@lepetomaneinc.com](mailto:andrew.steinberg@lepetomaneinc.com)>  
m> wrote:

Alison and JD:

Attached to this email, please find draft PDFs of the NERT 2018 budget transmittal letter, NERT 2018 budget, and the NERT 2018 budget footnotes.

There is a lot of information to absorb and I hope I've presented it in such a way to limit brain hemorrhage or stroke.

Two quick notes:

- Over the last few days, I have adjusted the assumptions indicated on page 10 of the footnotes regarding weir O&M costs. Our contract with Tetra Tech provided a fixed cost per 3,000 gallons of solids to be disposed of off-site. Due to the large rain event and the methods by which Las Vegas Paving is excavating the trenches, we have already moved 27 trucks off site with approximately half of them containing 6,000 or more gallons. In addition, the perchlorate levels are higher than expected at sunrise mountain. This concentration compounds the issue because at the higher levels, we are limited with respect to how much solids we can blend back into the effluent while maintaining not just our TSS permit number but also our perchlorate limit. Accordingly, I increased our solids disposal quantity to 100 and the overall project contingency to 20%. Our contract is structured very favorably toward the Trust in that we pay actuals; however, the methods and conditions encountered require me to add more cushion.
- The draft 2018 budget indicates a 2017 budget of \$130,000 and \$70,000 for L01 and P02, respectively. If you compare

this to amendment 2017-02,  
this reflects the Trust  
reallocating \$40,000 between  
the two tasks to more  
accurately track Foley's efforts  
with the community interview  
meeting and mailing last  
summer. This reallocation will  
be officially communicated  
within the next Fee App but  
wanted to provide this notice to  
avoid confusion.

I'd be happy to answer any questions  
either of you have. Similarly, if you'd  
like me to expand upon or minimize any  
language within for the final submittal,  
I'd be happy to do so as well.

My apologies for the delay in getting  
this to you.... Clearly I'll be ratcheting  
back my fight for EEs in March ;)

Enjoy the read.

Thank you,

Andrew W. Steinberg  
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Direct 312.496.2800 | Fax 312.276.4939  
35 E Wacker Dr, Suite 1550, Chicago IL 60601  
[andrew.steinberg@lepetomaneinc.com](mailto:andrew.steinberg@lepetomaneinc.com)

<01-NERT-2018-TRANSMITTAL -  
DRAFT.PDF><02-NERT-2018-BUDGET -  
DRAFT.PDF><03-NERT-2018-  
FOOTNOTES - DRAFT.PDF>